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A Protective Tariff or Free Trade.

SPEECH

OF

HON. JUSTIN S. MORRILL,
OF VERMONT,

DELIVERED

IN THE SENATE OF THE UNITED STATES,

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A Protective Tariff or Free Trade.

Mr. MORRILL, of Vermont. I now call up the order of the day, which is the legislative, executive, and judicial appropriation bill; and it being up, I wish to have it laid aside informally. I have been desirous of addressing the Senate for nearly a month, but have been unwilling to interpose myself when more important business was being considered. I should not even now ask the indulgence of the Senate but for the fact that as soon as this bill is disposed of I shall necessarily be absent for some little time and shall not be here when the bill reducing taxes will be under consideration. I therefore ask that for the time being the bill reported by the Committee on Finance for the reduction of taxation be considered.

The VICE PRESIDENT. The Senator from Vermont asks that the bill (S. No. 890) to reduce taxation may be taken up for the purpose, not of action at the present time, but of allowing him to make remarks in regard to the finances of the country. Is there objection? The Chair hears none, and that bill is before the Senate.

Mr. MORRILL, of Vermont. Mr. President, owing to the policy of our present Administration we shall soon be able to part with all direct taxation or all internal taxes, and the only subject then that will remain for serious consideration will be the subject of the tariff. I propose to-day to consider that subject.

Mr. President, composed as the Republican party now is, of Republicans proper, and of all other Union men, ready at the outbreak of the rebellion to band together, and to sink or swim in battling for the preservation of the Government, it is to be expected, although heretofore united in creating a comparatively high tariff as a war measure, that there might be some contrariety of opinion, as the danger passes away, about the proper gauge of duties, protection, or non-protection, which ought to mark our public policy.

I propose to explore the ground upon which the Republican party, the party of the Union, stands on this question, and to see whether there is necessarily any such antagonism as should on principle now or hereafter divide the votes of its members.

First, we have to consider a tariff for revenue with discriminations for the protection of American industry. Second, free trade absolute. Third, a tariff for revenue solely, alias "revenue reform," and showing no more favor to American interests than to those of Europe or Africa, or of New Zealand, or of the Tycoon of Japan. Practically the first is the extremest point asked for by the advocates of protection. The second is what the antagonists of the first proposition commend without meaning to adopt, as they extol a beauty whom they would by no means wed; and they studiously conceal the fact that direct taxes on land, excises, and taxes on incomes tread on the heels of free trade, and would become, if that were to prevail, the only source of revenue. The third proposition is what is really aimed at by all the most decorous supporters of free trade as well as by all those who indulge in the most viperous denunciations of protection. All these unite in general dogmatism, as they unite upon a tariff which would throw upon our own people all its burdens, shorn of all compensating benefits, or a tariff that would leave foreign free-traders nothing to ask for, and everything for our own people in the way of taxation to lament.

Mr. President, the importance of the subject, the difference of opinion among good men, and nothing in my manner of treatment will justify me in taxing the patience of the Senate to listen to a speech, as it may be almost assumed that every Senator would rather deliver his own opinion in advance than to hear an argument on this vexed and grave question of political economy; but as one of the Senators coming

from an agricultural State I may at least claim in its consideration credit for impartiality, and I hope, also, for truthfulness and candor.

CONSTITUTIONAL AUTHORITY.

Some of the opponents of protection to American industry have occasionally ventured to deny the power of Congress to levy duties for any other object than revenue. Although this denial flies in the face of the fact that the power has been much more broadly exercised in all our history, from the first Congress to the last, by the early framers of our Government and all their successors, by Federalists and Republicans, Whigs and Democrats, still it may not be improper to stop a moment to consider the question of constitutional authority. It is not enough to remember that one of the main reasons for escaping from colonial bondage was that we might foster and protect the trade and commerce of young America; but we must examine the work of their hands, and show that they did not stultify themselves by placing restrictions in the Constitution which would prevent them from offering either direct or incidental encouragement and protection to agriculture or manufactures or commerce. The second act of the First Congress, passed on the 4th of July, 1789, has in its preamble this distinct avowal of its purpose: "for the encouragement and protection of manufactures," which is an interpretation of the Constitution made by its founders, carried into effect at the earliest possible moment, that no amount of ingenious caviling can reverse or confound.

Free trade is a dogma of modern growth, and among the early American statesmen was unknown and without a champion. It had then no foothold in the legislation or policy of any civilized nation, living or dead, and it would be absurd to claim that the revolutionists of 1776 incorporated into their Constitution a policy not then begun even in Great Britain, for the policy of Sir Robert Peel had no legislative birth until 1846! Free trade is by no means an American invention; and were we to adopt it now, to use the language of Franklin, experience would soon "rap our knuckles."

Great Britain had so hampered our export trade, that it was deemed important expressly to provide that no tax or duty should be laid on articles exported from any State. This was done to enable every part of our country to sell whatever they produced free of tax, and to compel the Government to resort to duties on imports for its support, and not to an export duty bearing upon one portion of the country and not another. The framers of the Constitution well knew that taxing imports and letting exports go free tends to place the balance of trade on the right side and always in our favor, unless the currency is deranged. But as to duties on imports, there was no limitation, except that all duties, imposts, and excises

were to be "uniform throughout the United States," and this condition, that they should be uniform, was to make them more efficient. The separate States, like the German States in recent times, surrendered their power over foreign trade, and for greater advantages and protection established what may be called the Zollverein. The power is granted in the following truly national and unlimited terms:

"The Congress shall have power to lay and collect taxes, duties, imposts, and excises, to pay the debts and provide for the common defense and general welfare of the United States; but all duties, imposts, and excises shall be uniform throughout the United States."

And, again, full power is granted—

"To regulate commerce with foreign nations and among the several States and with the Indian tribes."

These provisions only need to be once read to see that the power of Congress to levy duties and to regulate commerce with foreign nations is commensurate with all its obligations to our own people, and entirely clear of any pretended and impracticable restrictions which would limit its operations to the sole idea of revenue. The power is sovereign and to be exercised solely at the discretion of the representatives of the people. They are to judge what it is expedient to do to pay the public debts, provide for the common defense and general welfare. We can levy duties upon twenty articles or a thousand, put them in the form of specifics or *ad valorem*s, and all articles at one rate or a hundred different rates, only they must be "uniform throughout the United States." Under this power we have established an embargo, non-intercourse, counter-vailing or retaliatory duties. We have protected our shipping interests by levying higher duties upon merchandise coming in foreign ships than in American, and also by higher duties upon the indirect trade beyond the Cape of Good Hope than the direct trade, and further still by giving to our own vessels the monopoly of the coasting trade.

The constitutional power of Congress in arranging a tariff of duties plainly and palpably goes far beyond the mere power of securing revenue. It is too late to deny the power of protection, or that power which places higher duties upon luxuries than upon the necessities of life. Of course practically we shall not attempt to raise more revenue than may be actually required for an economical support of the Government, but within that limit no friend of the American Constitution, it seems to me, would expunge one of its most beneficent and paternal features, or deny that we have the power to make our own selection of the dutiable articles, and to fix the rates, discriminating or not discriminating, as sound policy may require. That policy may change, but the Constitution will forever maintain the power of protection. It is for Congress alone to judge

what is expedient. Its power is imbedded in the foundation stones of the Republic.

MONOPOLY OF COLONIAL TRADE.

The Old World in the seventeenth century gratified its supremest pride in the establishment and maintenance of the colonial system in the New World, not for the purpose of conferring benefits upon man socially, politically, or even religiously, but with the paramount design of monopolizing trade for the advantage of the mother country. To this end they built navies, made wars, exterminated the aborigines, and enslaved the African race. Spain, England, France, Holland, and Portugal were all equally nefarious and equally emulous rivals in their ambition, greed, and brutality.

Spain wrought out its purpose by confining the whole commerce of New Spain to the flota and galleons which annually departed from Seville or Cadiz to Vera Cruz or Carthagena, where in a fair of forty days they contrived, by fixing the prices of both what they sold and bought, to sell dearly their own manufactures and to buy cheaply the more valuable products of the New World, especially the silver brought to the fair by caravans of mules, which often subsequently, while on board the plate fleet, became the prize of the Tortuga buccaneers.

England reached a similar result by her navigation laws, only repealed in 1849, which confined the trade exclusively to British ships clad with British sails and manned by British seamen. Her colonies were made dependent upon the mother country for the whole of their supplies, and in return could dispose of no more of their own products than were called for by the mother country, and at prices fixed without competition with the demands of any other portion of the world. The colonists might fell forests, delve in mines, raise tobacco; but, said even Lord Chatham—

"The British colonist in North America have no right to manufacture so much as a nail for a horse-shoe."

All true Britons still argue in the same groove, and with the same purpose, though since 1847 they hide it under the name of free trade, but they are all thoroughly persuaded that any colony, or even the United States, is guilty of superlative folly when they or we undertake manufactures, while Britons could do it so much more profitably if others were only content to supply them meantime with cheap bread, as they might, and be satisfied to glut their own market and Great Britain's too with that very necessary article. But Lord Sheffield went further than even Lord Chatham, saying:

"The only use of American colonies, or the West India islands, is the monopoly of their consumption and the carriage of their produce."

This is still the idea of English statesmen, and some of their best thinkers are striving to slip away from the expense involved in the

ownership and defense of colonies, and yet retain by some undefined reciprocity of goodwill and citizenship, or by a dim protectorate, the same monopoly of trade.

For instance, if the Canadas will only adhere to monarchical institutions they may extemporize peerages and parliaments in any way they please; and if they will not close the door to British trade, they may at any time, after a little "reluctant, amorous delay," be independent; not only so, but shall have a treaty guarantee, should any such burly aggressors as Grant, Sherman, or Sheridan become belligerent, that the ancient mother will fly to the rescue.

The American soil has not, however, proved favorable to the perpetuity of colonies. European nations, one after another, have had their names erased from the western continent, and if some tattered remains of feudal conquests still linger, the memory of former political and commercial vassalage commands neither a close nor a perpetual alliance with Powers which have so relentlessly sought to squeeze wealth out of their poverty. It has been judicially declared that to breathe the air of England makes every man a freeman. How long will the same air continue to make every colonist a subject of British subjects?

A recent English writer, Viscount Bury, M. P., is forced to declare that—

"At the commencement of the war of independence America could import nothing except in English ships; she could export nothing except to England and Scotland; she could not even send her surplus goods to Ireland, nor could she import any commodities except from Great Britain."

Must we be blamed for lack of faith in the modern economical doctrines of a nation which abandoned such a commercial tyranny as her own writers now confess this to have been only after a seven years' war? Disinherited of their conquests, it is no marvel that they should seek compensation through the subtleties and strategy of some free trade speculation. If the former colonies would only adopt this policy all that was most desired by imperial rulers, by Lord North or his master, would be accomplished, and that without cost. But "doth a wise man utter vain knowledge and fill his belly with the east wind?" Let us wait and see.

Formerly the colonies were treated as preserves, where the game was kept for the privileged classes of the mother country. Then the colonists were stripped of all they earned, but were allowed a frugal support. Now the mother country, grown more acute by her misfortunes in war, wants the same preserves, whether the former colonists can support themselves or not.

Adam Smith, the author of the *Wealth of Nations*, printed his work at the commencement of the year 1776, while the American colonies were sternly refusing to contribute reve-

nue to the support of the Government of Great Britain, wherein they were not represented, and the last words of that renowned work were as follows:

"If any of the provinces of the British empire cannot be made to contribute towards the support of the whole empire, it is surely time that Great Britain should free herself from the expense of defending those provinces in time of war, and of supporting any part of their civil or military establishments in time of peace, and endeavor to accommodate her future views and designs to the real mediocrity of her circumstances."

The stinging reproach at the end of these last words was intended to shame the British nation into a more energetic attitude. The great free-trader insisted that the colonies should not have free trade, but must pay or fight. The colonies must be made to contribute or Great Britain must resign itself to mediocrity. This shows not only that the questions of 1776 survive to the present day, but that the only policy which dictates the rule of colonial establishments was and is that of tribute, either in the direct form of taxes or monopolies of trade. When these cease, motherly affection vanishes, and the idea of separation is debated without a pang. What are moderate tariffs, compared with the protection to manufactures, which has been lavished and is still lavished in expenditures for the maintenance and defense of colonial markets? The expenditures in India are annually from eight to twelve million dollars in excess of the revenue; but Great Britain has free trade there, and her school of practice, like the dissecting-rooms for students of surgery, for her Clive, Hastings, and Wellington! Australia and New Zealand, the West Indies and Ceylon, Africa and the Canadas, Labrador and the Cape of Good Hope, Columbia and one hundred and fifty million of the rice-fed race of India, are all made to minister to the power of Great Britain, to maintain and retain at home, though in the lowliest condition, eight to ten millions more of people than it would be possible to maintain but for the constrained assistance of these millions of inferior foreign people who are subjugated and emaciated by British free trade. The protection given to British manufactures is measured by the cost of the motto, "Britannia rules the waves," or of the perpetual drum beat around the globe to guard these colonial markets, and is dearer than any ever dreamed of in any American tariff.

IRELAND THEN AND NOW.

Before the union of Ireland with England Irish manufactures were protected. Since then protection from time to time has been removed. Ireland formerly abounded in linen and carpet manufactures. They wove silk, printed calicos, combed wool, and the people were prosperous. Ever since the act of union Ireland has had forced upon her free trade with and the competition of her richer and more

skilled neighbors, the English and the Scotch; and what is the result? Irish manufactures are extinguished, and Ireland, the emerald gem of the ocean, is a national pauper. Its land, once occupied by its owners, is now only occupied by tenants. Bees, sheep, and grain are abundant, but they are shipped to England, while the native-born Irish are too poor to help themselves to anything but potatoes, riots, rows, and revenge. This example of free trade at the very doors of England I commend to the study of all true Americans, and especially of Irish Americans.

It is clear that our revenue must be raised either by duties upon foreign importations or by some system of internal and direct taxation. Internal taxes are very efficient when briefly resorted to in an overwhelming emergency; but for ordinary service our late experience of their onerous character will not be likely to lead to their permanent retention; and whenever the revenue can be safely relinquished the major part of such taxes will be quickly abandoned. There is, then, no probability that duties upon imports as a permanent source of revenue will soon be dropped. Internal or direct taxes must first become obsolete. The only questions remaining are whether the tariff at the present time is a source adequate to our wants or not, and whether it shall be so husbanded as to retain if not to enlarge the number of people now employed in mechanical and manufacturing pursuits, or otherwise. A tariff for revenue alone is one that disregards all the interests of labor and all investments of American capital. It merely takes care of the Government, and ignores the general welfare. A tariff for protection is one that levies duties upon articles which to some extent are or can be produced at home, and which it is desirable in larger measure to have produced at home. Home labor is thus protected and encouraged. A tariff for protection as well as revenue makes a discrimination in favor of our own people against all strangers, and sometimes imposes a higher rate, although securing no more revenue than a lower one, because it may be necessary to shield some young and struggling industry from the merciless competition of the world at large. Our annual importations of dutiable foreign merchandise cannot be expected to go much beyond \$400,000,000. Last year, stimulated by a large export of bonds, they were \$416,718,994; and the amount of revenue indispensable from the tariff is \$150,000,000 to \$160,000,000. It is thus apparent that the average rate of duties must be not less than $37\frac{1}{2}$ to 40 per cent. in order to secure even the lowest amount of revenue required. This opens a field wide enough for protection, and discloses the grave of free trade. The present average rate of duty upon importations is less than 42 per cent. This presents a

narrow field of battle for the conflict of opinions. Duties removed in one place must be added in some other. The common sense of our people will only demand that we adjust the tariff wisely, yielding nothing to mere class selfishness, but everything to the general welfare.

For some years to come the demands upon the Treasury will be of such magnitude as to require a large sum to be raised from duties upon foreign merchandise. These duties have been solemnly pledged for the payment of the interest and principal of the public debt. Low duties will not raise the requisite amount of revenue, and these must remain at much higher rates than would be necessary if protection were the only object, or if only one half the sum was required. And our experience now, after trying the experiment, shows that every increase of the tariff has brought an increased revenue. The question comes up, can we with propriety avail ourselves of the opportunity forced upon us in raising this revenue to continue or to make some proper discriminations in favor of our own people as against outside nations? There is ample room to do this and still keep far within the boundaries of prohibition, which may be called absolute protection. If we have any duties that are practically prohibitory, then let them be diminished. All protection, and no revenue, is neither demanded by our circumstances nor by any portion of our people. Nothing more is wanted than a chance for fair competition. Let us give manufactures a reasonable hope for prosperity, but no power to become our masters.

PROTECTION MOST NEEDED SOUTH AND WEST.

There are many establishments started in the West, and, since the close of the war, in the South, in consequence of our war tariff. To cut down the tariff largely at once, beyond the unquestionable fact that the revenue cannot be spared, would be to strangle in the cradle these new and extensive enterprises which our policy has invited. Such a course would be even more unjust to the men thus employed than to their employers.

The data for any statement as to the astonishing development of manufactures in the West and South are not obtainable; but last August an exhibition of textile fabrics was held at Cincinnati, representing one hundred and fifty-five exhibitors from twenty States by over three thousand samples of piece goods. A more extensive exhibition even might have been made in other departments of manufactures.

Let us not rudely crush out the many thousands of hopeful enterprises but just started where they are as much needed as educators of the people as auxiliaries of their material prosperity.

The action of the States of Maine and Vermont—neither of them especially manufac-

turing States—shows that in the judgment of their respective Legislatures the encouragement given to the manufacturing interests of the country has not been too great, for both of these States have offered and now offer, beyond the protection found in the tariff, additional inducements to all that may be established within their limits. Maine, by statute of March 8, 1864, enacts that all manufactures thereafter commenced shall be exempt from taxation for ten years, provided the towns in which they are located consent to the same. Vermont, by statute of November 21, 1867, has the same provision for five years. These States thus invite manufactures because they know the advantages which would accrue to their people. If such statutes are wise in Maine and Vermont, why not in South Carolina and Alabama? Other States through manufactures have largely increased their wealth and population, and Vermont and Maine feel very much as did Themistocles when he declared "that the trophies of Miltiades would not allow him to sleep."

The leaders of public opinion in the South have heretofore persistently denounced all those engaged in manufactures, and all who gave them any countenance. They had a class of laborers without wages which it was neither useful nor safe to advance or to protect. All this is now changed. It is obvious that protection by diversifying the industry will add immensely to the wealth of the southern States. Self-interest will soon triumph over passion, and chronic prejudices will pass away. Capital will instinctively go where it is wanted and safe to go, and it has no invincible repugnance to migrating in a direction where it may find some assurance of hospitality. If unjustly persecuted, it silently folds its tents and departs to lands of greater promise, to establish new emporiums of manufactures and trade where the surroundings are tolerant and congenial. The South, we may take it for granted, will not long consent to sacrifice its present vital interests to past theories of which slavery was so long the conspicuous prop, and which were engulfed at the same moment when that prop was knocked asunder.

BRITISH FREE TRADE UNPROFITABLE.

I shall make no apology for frequent reference in the course of what I have to say to facts touching the history of Great Britain, for, singularly enough, the patrons of free trade embroider all their arguments with illustrations from this source, or from the journal of a nation which reached its highest point of prosperity and power under the rigid enforcement of the principle of protection, and which certainly has not increased the prosperity of its people nor added anything to its relative power among nations by the adoption of later theories.

It is frequently urged that if the policy of

free trade and direct taxation should be adopted it would diminish the expenditures of the Government, on the ground that taxes indirectly collected are more lavishly used. Great Britain is an example coming the nearest to free trade of any civilized nation, and not unfit to show whether this argument is or is not founded upon any facts. The revenue of Great Britain in 1846 was £53,050,353; expenditures, £49,232,713. But the expenditures of 1869 had increased to £75,497,816, and the revenue was only £72,591,991. This shows the marvelous increase of expenditures since the free-trade policy was adopted of over 50 per cent., or £26,265,103, or about \$125,000,000, while the increase of population was exceedingly small and disproportionate. This fact sufficiently illustrates the vaunted economy of free trade, but it is not the whole of the lesson taught. The debt of Great Britain is larger than that of the United States, and the interest and charges paid on this account last year were £26,618,323, or, reckoning \$5 to the pound sterling, \$133,091,615, being more than that paid by the United States. To sustain her public credit the annual income of Great Britain should not fall below her annual expenditure. In 1846, the last year of protection, it did not, as there was then an excess of £3,817,640, but in 1868-69 there was a deficiency of £2,905,825. This shows a balance of about \$19,000,000 on the right side under protection, and a balance of \$14,000,000 on the wrong side under free trade.

This is by no means all that must be charged to the account of free trade. Long years of protection to agriculture had doubled the products of the land—that preëminence is still maintained; but even this increased yield has not proved equal to the strain of free trade. Other nations are snatching from her every unprotected article, every undefended outpost; and the trade of Great Britain, though very large, yields no contentment to the working class, and very little profit to the capital invested. Pauperism increases much more rapidly than population. In the last ten years indoor paupers, wholly supported, increased 23.7% per cent.; the outdoor paupers (assisted) increased 13.2% per cent. The expenditures on account of paupers increased 34.1% per cent. In London during the same time the paupers increased from 68,826 to 144,469, or 110 per cent. These facts are undeniable and sufficiently impressive, but there is one more that should not be omitted. The increase of lunatics in the same period has been 45 per cent. For only the last ten years that would seem to be enough. These are the fruits of free trade in Great Britain, where that theory might be expected to succeed, if anywhere; but even there, in view of these facts, it is a painful and humiliating failure.

Is not the fact that the increase of wealth

from 1851 to 1861 in England was only 37 per cent., while that of the United States from 1850 to 1860 was 126 per cent., a thorn in the side of English free trade?

There is still another item in this deplorable account. Almost in proportion to the poverty and misery of any people will be found their excessive use of intoxicating liquors. Of these there were consumed in Great Britain, in the past year, enough to float the Royal Navy, and at a cost of £89,000,500, or nearly \$450,000,000. How much of this was used to drown the misery of free trade in merry old England who can tell? Finally, there is no other nation which provides on a vast scale, publicly and privately, the means for her people to emigrate from their homes. In 1868 the Government of Great Britain chartered ten ships to send off population no longer wanted at home; but these ships were equal, it will be seen, to only a fraction of the immense business, for 196,325 of her people departed from her shores never to return; enough to load 400 ships, or more than one huge steamer for every day in the year, and enough to people a respectable State in our Republic! And these were not confined to their Irish subjects, whose departure they have ceased to deplore; but the Scotch and English went in even larger numbers. They did not stand upon the order of their going, but went by ship-loads, on deck or in the hold, and by thousands.

Need I give any more facts—and I derive them all from British authority—to show up the infelicities of free trade? Can anyone after this *exposé* want the American people to copy this far-fetched, ill-starred experiment?

Contrast our own position with that where free trade is supposed to culminate in its highest perfection, which we have just been considering. Our national revenue is abundant and the public debt is being rapidly diminished. Free schools are maintained, and the ratio of pauperism is less than that of any other people. At the same time the cost of intoxicating liquors consumed is only a little more than one fourth part of the amount consumed in Great Britain. Our country is the one toward which the eyes of the world are turned. It is the magnet which attracts emigration from all Europe and parts of Asia. In Germany men know that they can earn in the United States much more than from 16⁶/₁₀ to 24 cents a day, and women believe that they can here earn much more than from 8¹/₁₀ to 14⁴/₁₀ cents per day. These are the rates they now receive. They know, what is the fact, that our country is the one before all others where the poor can get rich.

At a public meeting in Toronto,* Canada, (March 25th,) it was stated by Mr. John Gordon that "England, with her free-trade policy, had at the present time 1,500,000 able-bodied

*This meeting was called by free traders, but a large majority turned out in favor of passing a resolution for protection.

men out of employment and 1,000,000 of paupers." With us there is plenty of work, and to find willing hands is our greatest difficulty.

The American policy is boldly to invite foreigners, of whatever race or language, to reside with us, labor with us, and become naturalized citizens if they choose. While obeying our laws, even resident aliens may travel all the avenues of industry which are open to our own citizens. We only say by our tariff laws that they shall not do so except at the price of becoming residents. By this course we are not only willing but hope to invite foreign enterprise, capital, and skill as a perpetual reinforcement to American industry and thrift.

The blood, bone, and sinew of the Old World are coming to our shores mainly from the fact that here labor commands respect and enjoys peculiar favor. It is protected. There have been landed, according to Commissioner Wells, 352,569 immigrants within the past year. By the encouragement of manufactures we encourage skilled artisans, men of brains, with more or less technical culture in their heads and capital in their pockets, to immigrate instead of those who come in the uniform of the work-house, only to dig ditches or to crowd the slums of cities. If the last must come let us induce a reinforcement from the better classes also to come. If we have room for one class let us make room for all—for agriculturists, artificers, merchants, and professional men. Less than twenty-five per cent of all the lands in the southern States have ever been rent by the plow. For the coming generation the profits from the products of these States must eclipse all others. The young giant States of the West also, with their almost illimitable expanse, need only to circumscribe their swine fields to make way for the half of Europe. Here is cheap bread and cheap coal, and here in due time will manufactures find their chosen seat.

Free trade would make us not only to bear our own calamities, but those of all other nations. When any disaster befalls a nation, so that it becomes unable to consume its own products, and they fall in price below the cost of production, free trade opens the doors for their introduction elsewhere, but at the same time throws out of employment and brings ruin upon those who might otherwise have enjoyed an undisturbed prosperity.

Protection regulates trade. Where that exists only partially, as in England, and the current of trade begins to flow adversely, the only remedy seems to be to apply the torture of bank contraction and to put up the rate of interest until merchants can no longer obtain credit on terms which permit them to import foreign merchandise, or until prices of domestic products are so much depressed that they are worth less at home than anywhere else, and therefore may be profitably exported.

Free trade grinds out its products by grinding down wages. That is its first and foremost mission. The lowest paid and worst fed workmen must beat down all others and command, though in an agony of sweat, the markets of the world. Free trade enters into bonds from the start to work for a smaller reward than all the rest of the world, not excluding even the breech-clothed and rice-fed Asiatics. Free trade demands that the Irishman after he lands here and votes the free-trade ticket shall not be any better fed, clad, or housed than he was in the land to which he so lately and sadly bid farewell forever. When our railroads are finished, and immigrants from the Emerald Isle lay down the shovel and the hoc for some other avocation, our free-trade merchant princes will give no more for fabrics made in America than for fabrics made in Ireland. Is that the feast to which our Irish fellow-citizens thought they were invited? Free trade assumes that the German shall not gain upon the wages which doomed him to perpetual poverty in his fatherland and sent him to bed superfluous every rainy day. It assumes that all labor shall be flung into one world-wide arena to contend with the most wretched and sorriest races on the globe.

Wages should be high enough to induce men, not cattle, to work well and regularly. Such wages offer at all points a better support, and workmen perform more and better labor in consequence. I would not have men avoid and shirk honest labor. Those who cannot or will not work are, of all men, most miserable. They are useless and superannuated, tormented with disease and helplessness before their time. But for all those who do work I would secure the most ample and certain rewards. It should be so liberal as to afford attraction to brains as well as to stomachs.

Our form of government, our whole framework of society and education, leads us from inclination as well as necessity to treat workmen as men, and therefore we must shield them from being reduced to the level of the most unfortunate and abject of the human species, or to the level of those anywhere to be found, willing to remain forever, they and their children, in the lowest rank of ignorance and degradation. When laborers are treated as men there must be protection against those treated little better than slaves and serfs.

PRACTICE WISER THAN ABSTRACT THEORIES.

Political economy is promulgated as an abstract science, and those who teach it seem to expect their listeners will exhibit what Sidney Smith called "a dropping-down deadness" while in their presence; but it is quite evident that scientific men in different ages cannot be in exact harmony as to what that science teaches. Reasoning upon the inductive system of facts, a new science might be brought forth

in every age and every nation. Every age in knowledge and skill differs from the past, and every nation in its habits and traditions from every other, and each from year to year with itself, as in peace or war, abundance or famine. Harmony can only follow the assumption of the gigantic fiction that all the facts and conditions of every age and of every people are immutable and eternal. It is claimed that the doctrine of free trade is scientific, and it is funny to see the airs which smart people put on when they think they are standing in the reflected glory of science. They feel that they are philosophers of some sort because they despise the want of discernment on the part of the common herd, whom they look down upon from their eminence, and they know they can be profound in abuse and earnest in violent denunciations, as there they are acknowledged experts. Free trade has never been anywhere at any time more than a theory. The absolute application of the doctrine among civilized nations has never been witnessed, although it holds an unchallenged empire in nearly all of our colleges and in most of the leading newspapers of commercial cities; and practically nowhere else, except in the wigwams of savages. For a hundred years some writers of great industry and vigor have built up massive reputations by works on free trade; but no nation has built up itself on any other doctrine than that of protection, whether avowed or disavowed. No nation dares venture upon trying the experiment of absolute free trade, and hence its followers may hold up their heads until it comes to grief by an actual trial. Teachers remain self-deceived because they never have been, and perhaps never will be, subjected to the rude test of actual experiment. The commercial press cannot afford to look out upon the whole country, for whose rural labors, manners, and opinions it has equal contempt, because all of its profits from advertisements are bounded by city limits. They will not cut their own throats by doctrines which find no sympathy in the foreign trade from which their income is so largely derived. Students must cling to the doctrine they have been taught, or be content to abandon all the so-called learning they possess on the subject of political economy, unless perchance they are called into public life, where they are compelled to examine the interests of the future as well as of the present, of all parts and all classes of their country, or unless they become engaged in productive business; and then, if partisan ties do not constrain them into an adherence to their collegiate idols, they are soon compelled to break their graven images of free trade and study a new gospel according to the practical experience of the civilized world.

The cloistered sophists of our colleges and schools and the peddling propagandists of free trade, like the cock who, as it has been said,

thinks "the sun rises on purpose to hear him crow," are doubtless as learned as the sophists of old or as the loudest of feathered bipeds, and, on this subject, practically as useless. These free-trade channels of instruction need to be Americanized, as they are now foreign to our sentiments, hostile to our prosperity, subversive of scientific truth, and dangerous to independence of thought and reasoning. Carey's Social Science illustrates the proverb that "a prophet is not without honor save in his own country and in his own house." It is profoundly to be regretted that our ablest and best teachers should have so little intellectual independence as to accept, generation after generation, with perpetual mental slovenliness, the text-books of Europe, or tame American copies, on a subject of such vital importance to our country; but it argues well for the robust intelligence of the vast majority of our people that such teachers, felt only as brakes that occasionally retard our career, have borne so little sway in conducting national affairs. Whenever any one of these teachers has the responsibility devolved upon him of dealing practically with these great national questions he finds what he had vainly supposed were cardinal truths only the melody of a dimly-remembered fiction, and what seemed so luminous in theory while being expounded by some fluent professor after all groundless, without home or country, and only applicable to the mythical Arcadias and Utopias of romance.

CATCH-WORDS.

The school of free trade rely upon catch-words, and of these among the most potent have been, "Buy where you can buy cheapest," which doubtless have bewitched large numbers of well-meaning people; but followed up this bat-eyed advice means, "Sell where you must sell cheapest;" and for a large portion of the world it means, "Buy not at all," or that poverty which is incapable of buying anywhere.

There may have been times when the world has been governed by words; but to-day it is more wont to be governed by ideas. Free men, free soil, free speech, free schools, free trade, form a happy alliteration; but the doctrine enveloped in the husk of free trade is so hostile to the general drift of all the rest of these potential watch-words that a similarity of sound will never impose its ill-fraught substance upon an age and people like our own, eminently practical and eminently devoted to the material growth and manly culture of a new world.

SELFISHNESS OF FREE TRADE.

No nation preaches free trade or sends out missionaries for the conversion of the "almighty dollar" but England, and she practices it only in certain directions, as may be seen in many of her legislative acts. Her agriculture has been lifted to surprising perfection by encouragement of manufactures, but her

colossal colonial system was built up and is now maintained solely for the protection of her manufactures. That colonial system has now no element of imperial strength. It accepts free trade only from compulsion. Millions of inferior people are made tributary to the limited population represented in the British Parliament. They subsidize great lines of steamships to America, to the Mediterranean, and to India for the protection of their trade. The owners of the ships avow that to them it is indispensable, and the nation endures the tax because cheap raw materials must be sought as well as markets for their manufactures. Great Britain manufactures for the world, and not merely for her own consumption. She must have what she calls free trade to compass her ends, at whatever cost or misery to her own people or any others. She asks other nations to adopt her example and make free whatever she makes free. She does not make sugar and tobacco free, because she has none to sell; but whatever she has to sell her profoundest moral convictions assure her that other nations must refrain from taxing, and she believes it a fatal mistake for them to come in conflict with her policy. If, however, free trade is really so beneficial, why is it that Great Britain is so discontented with her apparent monopoly of the theory? Can it be pure philanthropy that makes her statesmen and philosophers so eager to have others share its blessings? Their fanatical laudation of free trade wears a sinister look. As has been observed of women who get a bad husband, "they turn round and praise him, as if they wanted to sell him."

For such a name as that of Cobden and for such a man as Bright I cherish a profound admiration. They illustrate the mighty force of earnestness and persistency when directed by only even one or two strong men. But I cannot forget, when they are quoted on this subject as authorities, that both were cotton manufacturers—the latter still being one of the largest—nor that their life-labor has been to promote the prosperity of British manufactures, on which hangs the immense commerce of Great Britain, compared with which that of ancient Venice, Tyre, and Carthage all combined was but as a retail trade. As statesmen these honored names have never been found in hostility to the profits of the trade to which they were bred. From the same interested point of view the conversion of Sir Robert Peel to free trade may be more easily explained. Cobden signalized his career as a peace man, as does Mr. Bright, doubtless on principle, but also in entire harmony with their business interests. Hence they opposed every war in which their country embarked, and denounced most of the wars of the past. Wars contributed nothing to the prosperity of the cotton trade. I do not say these eminent men advised

their countrymen wrongly; but it is not evident that their advice never seems to have been at war with their private interests?

But it is urged that free trade is based upon an invariable, undying, and universal principle. That must be denied, for it must be conceded by all that what might be sound policy for Great Britain in the year of our Lord 1870 would not have been so in 1770, or even in 1840. That country ripened into free trade by the growth of many summers, even centuries, of protection. This growth has not been entirely beneficial, because land and capital has been monopolized by a few aristocratic hands, debarring all protection to labor; but free trade is the ultimate goal of protection; or, in other words, it tends to cheapen commodities so that protection becomes as superfluous as a steam-engine on a down grade, and is no longer needed.

The repeal of the corn laws by Great Britain, in 1847, was in fact one of the largest measures of protection to British manufactures ever achieved. It was a victory of cheap bread, won by workmen and manufacturers, by Cobden and Bright, over hereditary land-owners, and without which any increase of English operatives or extension of British manufactures had become impossible. Famine prices for corn could not be kept up and continue the manufacture of cheap iron and cheap cloth. Bread had to be cheapened, or the laboring men must have emigrated or starved.

PRODUCERS AND CONSUMERS.

Let me for a moment examine the selfish view of the question, and consider the interests of the individual apart from the interests of the whole people, if that be possible.

If the farmer buys more than he sells, then his interest may seem to justify him in being a free trader; but if he produces more than he consumes, then he should be a protectionist. Every seller is interested in having prices dear; but if all sell the same article they are all competitors, and all must sell cheaply or not sell at all. The theory of free trade assumes that there are more consumers than producers; but this absurdity is only proven by adding both classes together as consumers. If that were true the world would grow poorer year by year; but directly the contrary is the fact. A certain amount is annually added to the wealth of the country by the excess of production over consumption. The doctrine of protection teaches that any civilized country is rich in proportion as it produces everything it wants at home, sending abroad only whatever is produced at the most profit; but free trade insists that such a country is poor unless it can go abroad for everything it wants, exchanging therefor even what it produces without profit.

Persons living upon salaries and having nothing to sell may fancy that their personal

interests lie in the direction of free trade ; but they should not forget that their salaries are graduated upon the average profits of the whole people, and if they should be reduced a reduction of salaries must soon follow.

A FALLACY EXPOSED.

There is one fallacy which rises like an Alpine peak so much above all others that it deserves to be exposed, and that is the avowal that a duty upon an imported article adds the same amount to the price of all similar articles produced at home ; or, if we charge 40 per cent. on three hundred million dollars of imports, we are in return charged 40 per cent. by home producers on about six thousand million dollars of home products, amounting to twenty-four hundred million dollars actually paid in order to get only one hundred and twenty million dollars of revenue into the Treasury ! Such a wind-bag statement hardly needs to be punctured, and yet it is constantly paraded by free traders. We imported 78,792 bushels of Indian corn in 1869, upon which a duty of 10 cents a bushel was paid, and the argument would be that we raised the price of the 830,451,707* bushels produced in the United States 10 cents per bushel ; but the fact is that the importation of the corn, if it had any effect, reduced the price of the American corn, and the foreign producers had to accept the market price here, less the duties, which wholly fell upon the foreigner. This result manifestly follows in many cases with other importations.

When any country is dependent upon some other for a market for any of its products whatever duties are there levied fall mainly upon the producers, and prices are not greatly enhanced where such products are consumed. If we were not among the largest purchasers of fruits, Greece could not find a market for her dried currants nor Spain for her raisins ; and therefore, with high duties, some considerable share falls upon the producers abroad, or they do not realize so much as they would if the duties were low or if currants and raisins were admitted free. It is the same with sugar from Cuba and teas from China and Japan. Prices depend upon the extent of the demand. If Great Britain cannot find elsewhere a market of equal value for the products annually sent to the United States or to the extent of \$125,000,000 it is plain she must reduce her prices to retain our market, and it is a matter of grave interest to her whether our duties are high or low, for when these are reduced she can advance home prices. But it is unnecessary to demolish a falsehood so big that it crushes its authors with its own weight.

MANUFACTURES INCREASE THE PROFITS OF AGRICULTURE.

I have no wish to make our country a manu-

facturing country exclusively if it were possible, as happily it is not. I would prefer that the great bulk of our population should find employment on their own land in the rural districts, where the conditions are most favorable to intelligence coupled with virtue, and where the destinies of a free Government may be most safely confided. But this population should have the highest measure of prosperity possible. Labor and thrift should have more substantial inducements than the unreliable profits of unknown foreign markets, and this can be obtained only by stimulating manufactures until they shall have furnished a liberal home market for the food and raw materials produced on our own soil. This once established never fails, but a foreign market is always precarious. American wheat finds no market abroad unless offered cheaper than any other, from whatever quarter of the world it may come. Its sale can now or hereafter only be increased abroad by diminishing its price at home. American cotton is not sought until its quality or its price pushes aside the cotton of Egypt and of India. Even a fourth part of this crop, possibly now a third, manufactured at home, has unquestionably raised and will continue to raise the value of the whole crop from one fourth to a third above what it would be if the whole had to find a market at Liverpool. The cotton crop of the world is to-day about as large as before the late rebellion, but England no longer monopolizes its manufacture. Other nations on the continent of Europe have largely and successfully engaged in its manufacture. Competition for the raw material has raised its price, as it will of all the food and raw materials produced in America.

A proper balance of industries must be created at home to secure the greatest good of the greatest number. The adoption of the policy of free trade beyond doubt would injure people dependent upon manufactures, but it would injure those dependent upon agriculture far more seriously. Protection to one branch of industry, like taxation upon one branch of industry, affects all others more or less. Taxation depresses and protection elevates ; but the distribution is inevitable. To favor manufactures is to favor the tillers of the soil much more. To favor free trade is to build up commercial cities and drain the rural districts of their wealth and population. All cities, it is true, are engaged more or less in manufacturing and the mechanic arts, but free trade would subordinate these home industries and small profits of the many to the large profits of the few engaged in foreign trade. It appears to me more desirable to encourage the opportunities for the production of wealth and its distribution at home than for the production of trade and exchange abroad, which can benefit only a limited number. When our own people are all supplied with whatever we can produce, if

* The product of 1859.

there is any surplus, and the surplus though different would unquestionably be quite as great, we need not fear with the American proclivities to trade that there will be any lack of commercial agents or middlemen willing to offer all needful foreign facilities for its disposal.

POVERTY THE RESULT OF TRADE IN BREADSTUFFS
AND RAW MATERIALS.

Why should we permit England—a small island that raises no silk, no cotton, and not half the wool her mills require, and that mainly long combing wool—to take home our raw materials, and send them back with their value so much increased as not only to cover the first cost and transit twice across the Atlantic, but also the cost of a multitude of cargoes of food for the support of millions of her people while at work using up the raw materials obtained from American soil? A large share of the freighting business of the world is unnecessary and a positive loss. Shops, mills, and factories ought to be as much within reach as churches and school-houses. Two bushels of corn ought not to be wholly lost in sending one bushel to market. Two and a half tons of quinine are obtained from one hundred tons of Peruvian bark. South America has neither the capital nor the skill required to manufacture quinine, but who does not perceive the immense loss in the freight of so much bark for the inconsiderable net result? Might it not be called a small bite for so much bark?

Of cotton and wool we show a capacity to produce beyond what is required for home consumption. There is no reason why that portion which will be ultimately consumed here should not remain here from the outset and give life and support, first and last, to our own people. Of silk even it would seem that ere long we might produce in quality and quantity such an abundance as to bring fabrics made from this beautiful staple within the common reach of persons possessed of only moderate means.

IRON.

English iron, such as we get, is much inferior in quality to American iron, whether to be used by the blacksmith or the ship-builder. Then why not prefer and encourage our own? The almost universal proximity of coal and iron ores has long given to England preëminence in the iron trade; but this advantage is already contested in the United States, and fresh discoveries daily advance our ability to challenge sharper competition. The largest annual product of pig iron in the United States up to 1861 was 932,582 tons, having grown from only 50,000 tons in 1810. But under the recent large protection the product has increased within the last nine years to an estimated amount of 1,950,000 tons, or a greater increase than in the previous half century! Can it be doubted that this immense addition to the annual stock of iron has kept the price the world

over far below what it might otherwise have been? The recent discovery of a mode of dispensing with the process of puddling will, if it proves a success, turn out malleable iron at a cost but little above that of crude metal. Pittsburg takes the lead! Can it be doubted that it may now safely abate somewhat of its demands for protection? Protection to iron in Pennsylvania, Missouri, or Kentucky assures no monopoly to Pennsylvania, Missouri, or Kentucky, for the people of Michigan, Ohio, and many other States have the power and are at full liberty to engage in the same enterprise upon equal terms, and are quite likely to do it. This is the surest and most potent way of arousing rivalry and of setting the furnace fires ablaze all over the country. These fires will be on the hill-tops, and cannot be hidden. If profitable, more will be kindled, and other men will go and do likewise.

HARMONY OF INDUSTRIES.

The commingling of many industrial branches of business is the true way to organize all the forces of a community so that every man may follow a congenial pursuit, and thus develop the entire strength of all the component parts, whether skilled or unskilled, strong or weak, those having genius or otherwise. Then all will be harmoniously engaged in doing the best they know how. The farmer does not put his stoutest man about his lightest work or where a boy will answer the same purpose, nor does he, if wise, confine his land to a single crop; but by having more he utilizes all his time and help, as well as all his varieties of soil, taking care of one crop after another in regular progression until the whole is grown and harvested. Thus he takes advantage of every occasion for economy, and greatly multiplies the sources and chances of profit.

Nations guided by an equally enlightened self-interest follow the same policy and have never yet failed and never will fail to demonstrate that diversified employments prove immeasurably more productive in the aggregate than where they are more restricted. Such industries are mutual insurers, and when disaster befalls any special branch the loss is made up from the better fortune of all other branches, leaving the major part always successful; but those nations confined to a single venture, whether of manufacture or agriculture, of fisheries or of lumbering, like the farmers who rely on a single crop in case of failure, are cut off from all other resource or compensation elsewhere. In our country agriculture transcends in importance all other interests combined, and always must and should take the lead. Other interests derive much of their beneficial power from the direct aid which they afford to its pursuit and the indirect aid they afford by increasing its rewards through the consumption of its surplus products.

The greatest rulers of the world have con-

firmed these truths by their example. Cromwell, Peter the Great, Napoleon, were protectionists. In England the elder and the younger Pitt, and in France Colbert—ministers and statesmen whose far-reaching sagacity has never been impeached, and whose fame still shines brightly over the civilized world—were in favor of the sturdiest kind of protection, and went not only to the verge of what might practically prove to be prohibitory duties, but sometimes to prohibition in terms. Napoleon went so far as to say that duties should never be a fiscal instrument, but a means of protecting industry. Pitt went so far, in 1802, as to specially legislate against the competition even of the United States, and by protection he triumphantly sustained the finances of his country through a long and most expensive war. "Under his administration," says the historian Allison, "the revenue, trade, and manufactures of England were doubled, its colonies and political strength quadrupled, and he raised an island in the Atlantic, once only a remote province of the Roman empire, to such a pitch of grandeur as to be enabled to bid defiance to the world in arms." Macaulay styled Pitt "the greatest master of the whole art of parliamentary government that has ever existed." And yet the polished sophists of free trade would have us believe that such men as these lived and died ignorant of the sound principles of political economy. They heeded not free trade. The master mind of our own country, Hamilton, sought by his famous report, supported by one of the first acts of Congress, for which Madison voted, to "encourage manufactures" by the protection of American products. Our most generous statesman, Henry Clay, and our boldest, General Jackson, as well as the coolest and most astute, John Quincy Adams,* were protectionists in head and heart. The ship of State was in no danger of foundering under the pilotage of these men, and, if their policy was wise, time has furnished no reasons for change except in degree. Perfection of means and ends may be so nearly reached that favor is no longer required as to many articles; but others from necessity lag at unequal distances in the race, and still require to be nursed.

Nations which rely on the fertility of their soil, or upon a single crop, with no alternative means of subsistence, place even their moderate prosperity in continual jeopardy, and their average accumulation of profits must remain lean and scant forever. The same would

be true of a people confined to manufactures exclusively. In any season of scarcity, when other nations are without a surplus of breadstuffs, the dependent people are exposed to starvation. A community relying upon one branch of manufactures, though surrounded by a grain and cattle-producing country, is subject to severe fluctuations; but when these branches are largely multiplied the unprosperous manufactures form only the exception and not the rule.

HOME-MADE ARTICLES BEST AND CHEAPEST.

A liberal interfusion of manufactures among all agricultural communities thus appears to me desirable for several reasons. First, it begets a wider knowledge of general subjects, especially of the practical sciences, and forms a more intelligent people. Second, it increases the wealth and independence of farmers by the avoidance of the immense cost of shipments to and from foreign lands. Fair trade—very different from free trade—consists in an exchange of products costing an equal amount of labor. If these are all produced in the same locality, all the facts are known and no advantages can be long concealed, and the result is fair trade. When the farmer of Illinois sends wheat to England in exchange for Sheffield cutlery, London watches, or Nottingham laces, he can form no just estimate of the actual value of what he receives, and does not know whether he is cheated or not; but if he can exchange his wheat for such commodities made in his own neighborhood he will know all about it. When he buys an Illinois plow or an Illinois wagon or Illinois watch he always gets a prime article at a fair price. The knack of machinery and the profits of trade are no secret at home. The profits on foreign articles are unknown, except that they are known to be generally much greater than upon those of domestic origin. Hence dealers have an interest in handling foreign to the exclusion of American goods, and the greater profits thus derived enable them to liberally patronize the press, as well as to subsidize peripatetic philosophers of free trade. A particular style of foreign goods is more easily monopolized than those made at our own doors, and if found salable cannot at once and so easily be duplicated by neighboring competitors. A domestic article, however, if found salable, will at once be multiplied, and can be ordered by any number of dealers in such quantities as to cause a reduction of prices by a destructive competition. American articles of a staple kind, produced in large quantities, like cut nails, prints, delaines, cotton cloth, white lead, shoes, and boots, are usually sold at a bare commission, and often without any profit at all, whether at wholesale or retail. Many dealers in imported goods keep and sell lines of staple American goods at cost as baits to catch customers for the trade in more profitable commodities.

* This list might be indefinitely increased from the ranks of the old Republican party by such names as that of Thomas Jefferson, who writes in 1815 as follows: "The prohibitory duties we lay upon all articles of foreign manufacture which prudence requires us to establish at home, with the patriotic determination of every good citizen to use no foreign article which can be made within ourselves, without regard to difference of prices, secures us against relapse and foreign dependency."

Purchasers have a fashionable partiality for goods of foreign make and style, and have not yet found out that American iron, cotton, and wooleus are tougher, stronger, and more durable than such as are usually imported. This prejudice and ignorance has to be conciliated by a reduction of price, and a superior American article is often sold for less than an inferior foreign article of the same sort readily commands. It is true that the relative merits of American manufactures, as compared with some others, appear to be better understood in some places abroad, and British manufacturers have been lately often detected in using the stamp and brand of American manufacturers in order to fraudulently dispose of their own goods in far-off markets. Very likely our manufacturers have undervalued the artistic training and culture of their workmen; but it is a vital point which cannot longer be safely neglected. It is not the role of America to follow, but to lead.

A LIBEL REFUTED.

It is a libel to charge, as it has often been charged, that protection is always increasing its demands for further legislative favors. That is not the history of England, nor of any land where protection ever had a foothold, and surely it is no part of our own history. The facts are all the other way. Experienced manufacturers are always moderate in their demands. Only those unskilled, or working with inferior machinery, clamor for extravagant protection, and such extravagances may be properly rejected, just as clamor in the opposite direction may be rejected. Prudent men know that large protection rouses a host of wild and reckless competitors, who flourish for a day and go down with a crash, carrying with them even those whose more prudent management deserved success.

In 1861 our tariff was largely changed to specifics; not much raised, though made more protective by being unchangeable; not vanishing to a minimum when a maximum is most needed, as *ad valorem*s vanish upon a fall in prices; but the change was not asked for, and but coldly welcomed at the time by manufacturers, who always and justly fear instability. It was, however, as favorable to their interests as to those of agriculture, then more directly acknowledged, or of the Government, which sought a more honest method of collecting its revenues by treating all importers with a fixed and unalterable measure. Our recent war compelled us from year to year to increase our revenues immensely. Instead of one symmetrical law, like that of 1861, we have from necessity an accumulation of amendments. For revenue purposes, and not for protection solely, 50 per cent. in many instances has been added to the tariff, denounced as a Chinese wall, to enable our home trade to bear the new but indispensable burdens of internal taxation.

Already we have relinquished most of such taxes, and have ceased to collect more than a mere pittance on the sale of home manufactures. So far, then, as protection merely is concerned, if the revenue could be spared, we might safely remit a percentage of the tariff on a considerable share of our foreign importations, but the question is whether it would be wise at present to diminish the receipts of the Treasury at all or not; (the President and the Secretary of the Treasury think not;) and if wise, whether the revenue can be released on imposts or from other more direct taxes with the greatest advantage to our people. It seems clear to me that it will be sound policy to make our resources abundant until our debt shall be funded at a lower rate of interest, and that the least burdensome of our taxes are those imposed upon foreign importations.

At the same time it is a mistake of the friends of a sound tariff to insist upon the extreme rates imposed during the war, if less will raise the necessary revenue. Nor should the rates be so high as to make smuggling with all its risks a profitable business. It may be admitted that these rates should only be maintained at a point high enough to cover any unusual taxation. Whatever percentage of duties were imposed upon foreign goods to cover internal taxes upon home manufactures, should not now be claimed as the lawful prize of protection when such taxes have been repealed. There is no longer an equivalent. The small increase of the tariff for this reason on iron, salt, woollens, and cottons cannot be maintained except on the principle of obtaining a proper amount of revenue. Protection has here no legitimate claims, and it may be taken off whenever direct taxes are repealed and less revenue is desired. The war duties on tea, sugar, coffee, and salt were never intended to be more than temporary.

These articles, to be sure, can be more certainly relied on for a stable revenue than any others, but they are consumed by the poor almost as much as by the rich; and a republican country cannot afford to tax exclusively, or even largely, that class of articles, as is and may be done in Great Britain. An aristocracy will, of course, make all classes below them, if they can, contribute as much *per capita* as they do for the support of Government. Republicans, however, must charge the highest duties upon such articles as are consumed by persons of wealth and fashion. Tea, coffee, and sugar are not luxuries to the American people unless taxed so as to make them so, and if war has made taxes a necessity, as fast as that necessity diminishes just in the same ratio ought the duties to be diminished.

Tea and coffee will not be grown for the present, if ever, in the United States, and duties on such articles can have no other object than revenue. Sugar can be had both from the cane

and sugar beet. That it ought to be grown to the full extent of all our wants, greater *per capita* than those of any other country, will not be denied. France at first protected the manufacture of beet-sugar until at last its success was so great that the cane sugar of her colonies had to be protected by the imposition of an internal tax upon home-made beet-sugar. Some of our people formerly objected to eating slave-grown sugar, and yet protection was demanded and conceded even to slave-grown sugar. Shall we now refuse it when grown by freemen? Something is due, it seems to me, to encourage a much larger production of cane and beet sugars, and something is due to a revival and multiplication of sugar plantations in our southern States.

France and Russia, both adherents of the doctrine of protection in the broadest sense, do not go on from year to year asking for more, but have each lately considerably reduced their tariffs, proving conclusively that they have each made an advance. Russia, some years ago, was almost entirely an agricultural nation, enjoying the so-called prosperity of free trade, and British shop-keepers were almost as much at home in St. Petersburg as in London; but she changed her practical relations with other nations by adopting the policy of protection to home industry. Her products were at first rude and unsatisfactory to all except herself, but she has succeeded in establishing many of the staple manufactures of the world, and has made more progress—there being admitted room—in freedom, wealth, and general intelligence than any other European nation within the last twenty years. A diversified industry is the natural enemy of slavery, ignorance, and poverty. Russia is making rapid strides in civilization, and is now reducing her tariff as her ability allows, but at every point she carefully guards the interest of her millions of people with the policy of protection. By giving freedom to her people and by protection to manufactures Russia shows that she does not intend to be any longer overmatched by European Powers having not one tenth of her area nor one half her population.

The dense population of the older civilized nations; their accumulated deposits of capital from the labor of centuries, and the ages of trained rivalry through which they have passed, give them an advantage in nearly all the industrial arts over new and younger nations of the world. They have got the start. The United States, though as facile to create as to adopt labor-saving machines, have not failed in their due proportion of contributions to the arts, as the numerous trophies of American genius to be found in the Patent Office or already marching around the world abundantly proves, and the time may yet come when the United States, if it pleases, can enter the race of free trade as to a very

large number of articles, if not as to all, against all comers, regardless of their rank, history, or civilization. If this were not so protection would be indefensible. It is competition, equals with equals, nation with nation, man with man, that sharpens the wit, enforces economy, and most speedily reduces the cost of all products. Nations holding monopolies dictate prices and regulate markets, but the first blow of competition brings down prices as irresistibly as the strong wind bends the tops of the loftiest trees.

This result is easily proven by existing facts and notwithstanding the unusual load of taxation which all American products have borne since the commencement of the recent rebellion. The words of Chaucer five hundred years ago, applied to everybody:

“A Sheffield whitel bare he in his hose,”

but no longer to the Yankees, who now both use and make an American “whitel.” A recent parliamentary report exhibits a list of a large number of articles made in Birmingham which are already largely displaced in the markets of the world by productions of the United States. Among them will be found shovels, hoes, axes, cut nails, horse-nails, pumps, locks, latches, gimlets, clocks, penknives, scissors, muskets, pistols, agricultural implements, weighing-machines, sewing-machines, gas-fittings, lamps, table glassware, &c. Of course all these articles have passed the Rubicon of protection, being bought and sold here as cheap, if not cheaper, than they can be made anywhere else in the world. For all time to come Americans will be supplied with these articles at as little cost as any other people, knowing at the same time that they are of American origin and that there are none better. The open-mouthed calumny that protection is always increasing in its demands in face of these facts should shut its lips forever.

RAW MATERIALS.

As a general rule it is true that sound policy requires the admission of raw materials free of duty into all countries claiming any pretensions as a home for manufactures. The only exception to this rule is as to raw materials which are indigenous, or such as might be easily and profitably introduced and naturalized. A duty on raw materials is wholly a tax on the manufacturer, except when produced so cheaply and abundantly that there is an excess beyond what is required for home consumption, rendering any tariff inoperative, or when compensated for by an equal or greater duty upon the foreign-made articles composed of the same materials. For instance, the process of manufacturing silk is tedious and delicate, requiring consummate skill in all stages of its manipulation. The wonderful colors, elegant patterns, and glossy surface require a scientific knowledge of dyeing, an aptitude in the conception and drawing of beautiful forms, a mastery of

complicated machinery, and the finest touch in the finishing process. Capital and labor in lavish proportions are indispensable to its production in its highest perfection. Its introduction into new and untried fields could not be ventured upon at all if raw silk were to be loaded with a duty. Perhaps this manufacture at this time owes its partial foot-hold in our country to the necessity which called for the imposition of war duties upon manufactures of silk. It is quite possible the manufacture may yet win its way to a place among our most considerable branches of industry, even though the present duties, (so high as perhaps to tempt illicit trade,) should be reduced. Happily the raw material seems likely ere long to be supplied in abundance within our own borders. The climate of the Pacific coast is such as to produce, without the peril encountered elsewhere from thunder and lightning, four crops of large and healthy cocoons in a single season, pre-saging a supply far beyond the wants of our own people, and no more requiring the protection of the Government than fruits in the garden of Eden.

WOOL AND WOOLENS.

On the other hand, wool manufactures can be successfully attempted by the rudest civilization. Something can be and has been achieved everywhere and in almost every age. True it is that a technical knowledge of the true composition of dyes, of pattern-drawing, and of the most improved machinery gives power to minister to something more than the bare necessities of mankind, and to supply some share of the more costly comforts and elegancies of life; but the domestic manufacture of common woollen cloth to some extent has existed and must exist in nearly all countries. The coarse and cheaply-made goods when not produced through the aid of modern mills must be had through the simple spinning-wheel and hand-loom. In northern climates woollen clothing is not less vital than food itself, and no country should be dependent upon foreign and distant lands for either one or the other. If our Government did not connive at smuggling blankets from our enemy in the recent war, as it did in the war of 1812, we yet in point of fact obtained a considerable part of our first supplies from abroad. That a country continental in its dimensions, surpassingly rich in its broad extent of pasturage, should be unequal to the production of the wool it annually consumes is not for a moment to be supposed. It is a fact, however, that for years we have drawn from abroad a large quantity of the wool we have consumed, as well as a much larger proportion of woolens.

The amount of wool imported in 1868 was 26,449,321 pounds, and 49,812,392 pounds in 1869, valued at \$7,688,348, or at an average cost of 14.4 cents per pound. The value of woolens

in 1869 amounted to \$35,054,407. Of carpets alone we imported 3,881,830 yards, valued at \$4,261,258. These facts prove that the duties on wool and woolens are by no means prohibitory.

It is true that many classes of woolens do not bring first cost, but that is true of cotton goods, and is to be attributed to the general depression of trade and the character of our currency; and it is also true that no wool produced above forty degrees north latitude now brings over three fourths of its actual cost.

The policy or impolicy of a duty on foreign wool has long been debatable ground both here and abroad. In France the duty on wool was 20 per cent. *ad valorem* up to 1855, when it was made free, but the price there for fine wool in 1867 was less than 25 cents per pound. The Romans at an early day introduced the spinning of wool and weaving of woollen cloth to the inhabitants of England, who previously were only clothed in skins. Woollen manufactures were firmly established in England in the reign of Edward III, A. D. 1331. Only six years thereafter the exportation of wool was interdicted, and the "wear of any cloth made beyond the sea" prohibited. From the reign of Charles II until a recent period no one was permitted to be buried unless wrapped in a woollen shroud. The importation of even Irish wool was prohibited in 1696, and the non-exportation law, as to English wool, was not repealed until 1824. The British tariff on wool in modern times has been fluctuating. In 1819 it was raised to 6 pence per pound. In 1824 it was reduced to 1 penny per pound on wool costing 1 shilling or over per pound, and to a half penny on all costing less; but it admitted colonial wool free. Prices fell; Southdown wool brought 1s. 4d. in 1825, and only 6 pence in 1829. In 1844 it was provided that all wools should be admitted free. Surely this is a checkered record of the road to free trade! Very recently the increase in the production of wool the world over has been prodigious. The broad, unfenced plains of South America, Africa, and Australia seem to have been suddenly covered with flocks of sheep in untold numbers, and the chief expense of raising wool is reduced almost to the bare expense of washing and shearing the flocks, and for even that some machinery is resorted to. The quantity outstrips the present requirements of the world. Australia, according to M. Thiers in a recent speech, produced last year 330,000,000 pounds, and could furnish 600,000,000. La Plata could produce, he says, a similar quantity. Commissioner Wells says, "The wools of the United States are mainly the merino clothing wools, which can be produced in any quantity and at prices which defy foreign competition;" and he mentions Texas wools as having been produced at a cost only of 7 cents per pound, which sold for 25 cents in gold.

The defiance is a very bold utterance, but one not likely to find any backers among wool-growers.

It is possible that on the wild prairies of the far West, and in California and Texas, some faint competition can be maintained with countries having similar pasturage abroad; but it is obvious that where any ownership to land is maintained, or where it possesses any marketable value, unprotected wool cannot long be grown. We might as well undertake to compete with the mountains of the moon as with the unclaimed tropical plains. Iowa, Missouri, Wisconsin, and Illinois, as well as Ohio, Pennsylvania, New York, and Vermont, must abandon sheep husbandry, so indispensable to the continued fertility of their soil, if the wools of the unsold, unfenced, untaxed, wild wastes of the southern half of the globe are to be permitted to enter our markets free of duty. Nor will any *ad valorem* duty serve any good purpose. The foreign valuation is at so low a figure that an *ad valorem* duty of even 50 per cent. is but a bagatelle. We have tried 30, 40, and even 50 per cent., and always with the same result. Nothing short of a specific duty will give any positive protection. It is true that the present prices of wool are so low that the number of sheep has been very greatly reduced within the last year in Australia, as well as in large portions of the United States. No industry there or here now pays less profit than sheep husbandry; but it may legitimately be expected henceforth to improve. Besides this, it ought never to be forgotten that the fiber of most foreign wool is exceedingly tender, while that grown in the United States is strong. Cloth made of American wool is much more durable than that made of foreign wool. The future of the American wool-grower is not too bright; it has no advantages to excite envy; and it is the duty of an American Congress to do all in its power to preserve one of the highest forms of agricultural industry, and at all hazards to save it from being crushed by evasions of the law, by the patrons of free-trade opinions, or by the blind selfishness of a few manufacturers. The exaggerated prices of wool and woolsens during the war have passed by, and free-traders would have us believe that the present low prices are the legitimate result of high protective duties. They predicted, on the passage of the wool tariff, that the poor man would have to pay many dollars in the shape of a bounty to the wool-grower on every suit of clothes bought; but it so happens that the poor man never bought woollen clothes cheaper than at the present moment. The consumer has nothing to complain of, and has not been sheared by the wool-grower.

THE COTTON TRADE.

The price of cotton having doubled and its manufacture having been extended among

many nations heretofore nearly altogether dependent upon England for cotton stuffs, competition is likely to maintain high prices for the raw material, although the supply of the world is no less than in 1860, when England monopolized the crop. On the continent of Europe and in India as well as the United States they have begun to spin and weave for themselves. Lancashire suffers. Her people are out of work, and denounce free trade and the reciprocity treaty with France. Thereupon the London Times of September 18, 1869, discourses as follows, namely:

"Why, for example, should the Americans, who used to be well pleased that we should spin cotton while they grew it, resolve now to be spinners and growers too? Why, again, should we be told, as a correspondent did tell us plainly, that we had better let the Hindoos resume their old trade of cotton spinning and work up the produce of their own fields? How is it that France finds it for her advantage to take up this manufacture which was our monopoly so short a time ago?"

"New cotton fields have been opened, but new cotton factories have been opened too, some under the shelter of protection, some perhaps in a more natural atmosphere. There is a more extensive demand for the raw material, which rises in price accordingly, and that rise in price deprives us of a condition essential to the superiority we once maintained."

This is a confession from which we ought to profit. The workmen of Great Britain are in distress. The guardians of charities for the poor cannot relieve the sore wants of all their supplicants. But her statesmen do not find any relief springing from their so-called system of free trade. That neither feeds their people nor furnishes a market for their products, when other nations begin to assert their independence and their freedom from British monopoly. We may commiserate their people, but we cannot yet afford to adopt their policy.

THE NEW FORCES OF LABOR-SAVING MACHINES.

New inventions and the application of labor-saving machines in modern times have greatly improved the condition of laborers. They are no longer slaves and serfs, nor are they treated as beasts of burden, but as men responsible for their acts and to whom others are equally responsible. Under our free form of government, with no hereditary estates, all or nearly all of our citizens are engaged in some industrial employment or business which demands a chief share of their time. Age and physical infirmity furnish almost the sole exceptions to this rule.

In 1841, Chevalier, a distinguished French author, sought numerical expressions for the advance in productive power caused by modern improvements, which were not only curious but seem to have been unimpeachable as to their general accuracy. Since that date further advances have been made, but he then estimated the increase of power as to manufacture of iron as twenty-five or thirty to one; of bread,

since the time of Homer, as one hundred and forty-four to one; of cotton fabrics within the last century, as three hundred and twenty to one. He also found that one American in the transport of goods was equal to six thousand six hundred and fifty-nine of the subjects of Montezuma, and that one man attending a mule in England or America is equal to three thousand two hundred and sixty-four natives of India spinning by hand. The author of *Plutology* says, that forty years ago three men with difficulty made four thousand sheets of paper per day; now they easily produce sixty thousand. Lace used to be produced by hand at the rate of three meshes per minute, but a Nottingham machine will now bring it forth at the rate of about twenty-four thousand meshes per minute. Three tons of coal, it has been estimated, will give an amount of force equal to a strong man working twenty years, three hundred days in each year. All this is modern. The present age is so much in advance of the past, and this advance is for the benefit of the whole race, and not for feudal chiefs, or a few aristocrats, or a single nation.

The improvements in agriculture from its nature could not be expected to show such conspicuous strides; but it is a moderate estimate to say that the agriculturist who seizes hold of the best and most improved implements does one half better than could his father in the old way. Human labor is abridged and yet brings about greater results. In the bleaching of linens the work of eight months is now performed in a single hour. First, sulphuric acid, then chlorine, and last, chloride of lime, has supplanted the ley and buttermilk and green grass of Holland, and linens may be bleached without much loss of time wherever they are made. Obviously intelligence, not mere muscle, now contends for the mastery. Labor is lifted from its degradation and carries no unnecessary load on its back.

In order that any country should largely increase its wealth, it must increase its material productiveness, and this can only be done by adding to such forces as may have been bestowed by nature upon the country and its people, the artificial forces of steam and other labor-saving instrumentalities. Free trade invites a trial of strength and skill on an empty stomach with all the world, but extends no welcome to any auxiliary power beyond the naked hands. Protection, on the contrary, brings out as a well-fed reinforcement all the engines and marvelous contrivances of human wit from the foundation of the world. It guarantees capital at the outset against a total loss if it shall venture to enlist the impassioned forces of fire and water. It employs the engine, a dumb giant, whose hairs are not yet gray with age, to do the work of a regiment of men without a cry of pain or fatigue. It even aids agriculture. There it does not merely fret the sur-

face of the earth with the prong of a tree, the old plow of Cincinnatus, but with a steel plow, or with a gang of steam plows it plunges deeply into the virgin soil, turning the whole field upside down, and is rewarded by a crop of a hundredfold. With the hand-sickle it no longer gathers a few sheaves; but with the American reaper, more potent than the war-chariots drawn by the elephants of Hannibal, harvests acre after acre of the golden grain in a single day. It does not doom the blacksmith to the hard labor of earning twenty-five cents per day by making 6 or 8 pounds of hob nails,* but pays \$1 50 per day, and with a curious American machine makes as many hundred pounds, and crowds the market with cut nails, much better for use, at a price only a little more than one fourth of a cent per pound above that of bar iron. Through an American machine, too, almost as intelligent as appeared of old the automaton chess-player, and attended by a child only, the long iron wires are changed in the twinkling of an eye to wood screws, superior to anything ever before seen and for much less than half the former cost.

Steel, the elder brother of iron, by the slight additional protection afforded in the tariff of 1861, has been so far established as an American product as to sensibly diminish its present cost. The Bessemer steel, made from pig iron, is one of the great and most beautiful triumphs of science; and the new process of melting wrought iron in a hot bath of pig iron, and thereby converting the whole mass into steel, promises to revolutionize prices, and place steel on a par with iron. Protection stimulates human genius and produces wonderful works, but free trade relies not upon sweat of the brain, but upon sweat of the brow alone, measuring its products by the measure of past generations, and desires to slumber and to be let alone. Protection means progress, or individual and national advancement. Free trade means where no manufactures exist there none ever ought to exist. It strikes the forge, the loom, the engine with paralysis.

It must be conceded that it was not alone the advantage of numbers possessed by the North which enabled the Government to achieve a victory over the late rebellion, but it was also its mighty auxiliaries, in the shape of water-moving and steam-propelling mills and machinery. The force of the free States was thus more than duplicated, and this gave them power and vigor to conduct the prolonged contest with less expenditure and more assurances comparatively, day by day, of ultimate success. The seceding States were stronger at the first shot than at any day thereafter. The loyal

*More than two hundred years ago, when hob nails were just supplanting wooden pins, Fuller, in the *Worthies of England*, says "that coin of gold and silver may be better spared in a Commonwealth than nails."

States girded up their loins year by year, and at the close of the contest would have regarded it almost as a holiday to have been afforded a fair opportunity for a deadly grapple with one or two of the first-rate Powers of Europe. Foreign foes rather than kinsmen were hungered after. Our Army and Navy were not only large, but they were in fighting order, especially if only ordered to avenge national injuries, received while our hands were tied, and because they were tied. Our mills, founderies, and machinery remedied all deficiencies almost as soon as known. This additional force, beyond all doubt, had been created by tariffs for revenue with moderate discriminations for protection, which discriminations were most opportunely invigorated by the act of 1861, and, it may be added, were subsequently largely increased. In any contest which the future may have in store for us with any foreign Power, especially a maritime Power, this auxiliary force will be vastly more important. If we mean to accept and hold the rank of a first-rate Power among nations we cannot forego the many advantages of manufactures and the mechanic arts. Here lies the royal road to power and independence. During the late contest the people of the South, with more cotton than all the world beside, were distressed for even common sewing thread. It was like the story of—

“Water, water, everywhere,
Nor any drop to drink.”

To maintain an undoubted independence our role of construction must embrace all the indispensable articles, from the least to the greatest, from a needle to an iron-clad ship. Our national pride demands that we shall not now nor at any time abandon the foundation of our strength at home and our security abroad by the imbecility of treating the doctrine of protection to American industry with legislative contempt.

CONCLUSION.

Shall we not, from the considerations presented, and from a proper regard for the present position of the American people, all agree to the following propositions:

First, that it is expedient to rely mainly on duties upon the importations of foreign merchandise for revenue to support the General Government?

Secondly, that in levying these duties such reasonable protection should in all cases be given as will favor the consumption of home made and home-grown products?

Thirdly, that such articles as are usually grouped among the necessities of life, and such raw materials as we do not produce, should bear the least amount of taxation in any form.

Fourthly, that having to some extent created for agricultural products a home market, ought not to be surrendered and made free to foreign rivals, near or remote, who have never contributed to the support of such a market?

Fifthly, that American manufacturers ought not to be forced by free trade to demand such terms of workingmen as many of the latter came to our country only to escape from?

Finally, the Republican party has the destinies of the American people in its hands, and it should not subordinate them to the master of every other country filled with cheaper capital and cheaper labor. Labor here is not only honorable, but here obtains its highest reward; and it should be our mission to perpetuate this national distinction. The marvelous accession of force added to the productive power of nations by machinery and the archimedeal leverage of the mechanic arts, must not be wholly abandoned to our rivals. The aptitude of our people for all the useful arts; their inventive genius, as displayed in the past and so full of promise for the future; the vast theatre wherein they are called to operate and first scope, deserves something more than the cold disregard and the heartless indifference of free trade. The recently emancipated population of the South should be furnished with grand opportunities than it has hitherto had, both of profit and culture, by which its best example of intelligence may hope to rise above the universal level of the old cotton plantation. Let the energies of our whole people be put in motion, by making industry and enterprise prosperous in all directions—of the plow, the loom, and the anvil—and thus give assurance at home and abroad that the year of our deliverance is not remote, when all debt public and private, will have been honorably discharged, and when to be an American will be to be a citizen of the happiest, freest, and foremost nation of the world.

